

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF)	CASE NO. 6602-AA
EQUITABLE GAS COMPANY)	

O R D E R

On December 8, 1976, the Commission issued its Order in Case No. 6602, approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On September 30, 1985, Equitable Gas Company ("Equitable") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective September 1, 1985, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Equitable's notice of September 30, 1985, set out certain revisions in rates which Equitable proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$367,710 or 55.82 cents per Dth.

(2) Kentucky West has filed an application for decreased rates to become effective September 1, 1985, with the Federal Energy Regulatory Commission.

(3) Equitable should report to the Commission any excess revenues collected during the period from September 1, 1985, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(4) Equitable's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 6602 dated December 8, 1976, is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after September 1, 1985.

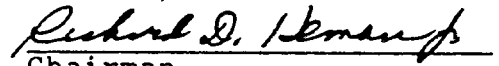
IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after September 1, 1985.

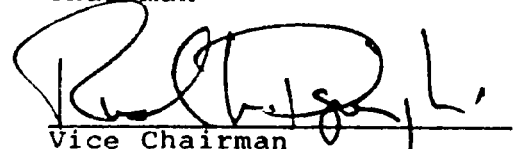
IT IS FURTHER ORDERED that within 30 days of this Order Equitable shall report to the Commission any excess revenues collected during the period from September 1, 1985, to the date the proposed rates are implemented, along with a plan to refund any excess collections.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Equitable shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 25th day of October, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 6602-AA DATED 10/25/85

The following rates and charges are prescribed for the customers served by Equitable Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES: Monthly

First	2 Mcf	\$3.6047 per Mcf
Next	18 Mcf	3.4197 per Mcf
Next	30 Mcf	3.3647 per Mcf
Next	50 Mcf	3.3147 per Mcf
All Over	100 Mcf	3.2647 per Mcf

The above rates include the following refund factor:

\$0.0633 per Mcf effective August 1, 1984, and continuing for 12 months or until the refund obligation from Case No. 6602-X has been discharged.

The base rate for the future application of the purchased gas adjustment clause of Equitable Gas Company shall be:

	<u>Commodity</u>
Kentucky West Virginia Gas Company	\$3.0595/dth*

*Including \$0.0125 Gas Research Institute Funding Charge